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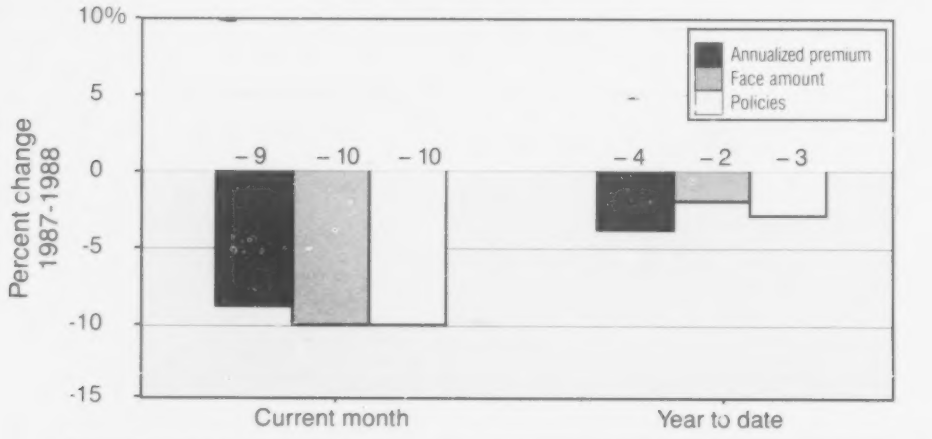
I/R Code 47.40
July 1988

MONTHLY SURVEY OF

LIFE INSURANCE SALES IN THE UNITED STATES

Individual Sales

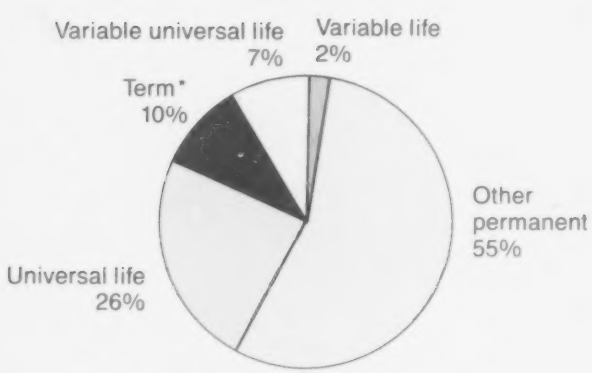
126 Companies



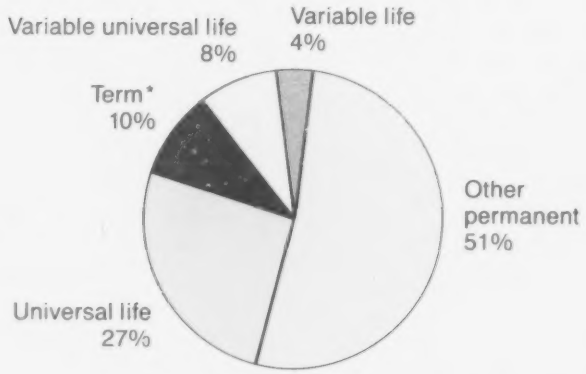
Annualized premium includes 10 percent of single premiums. Some companies report only premium (without corresponding face amount) for single premium paid-up addition riders.

Annualized Premium Market Share by Product

Current month



Prior 12 months (July 1987–June 1988)



*Estimated based on 83 companies.

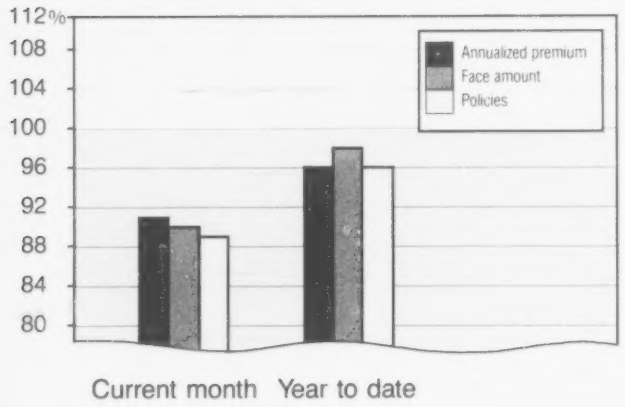
LIMRA INTERNATIONAL

Profit from our research.

Individual Sales (cont.)

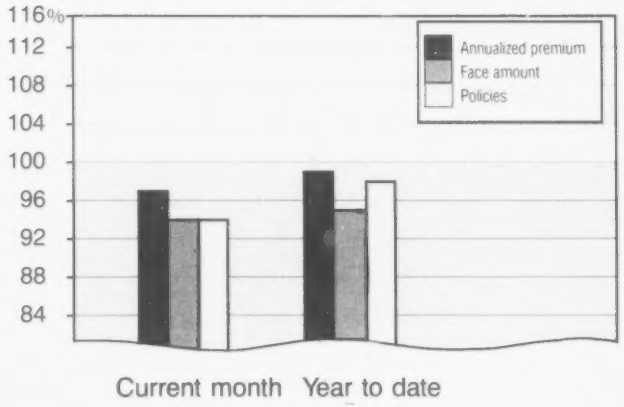
115 Ordinary Companies and Departments

Ratio 1988/1987



19 Home Service Companies and Departments

Ratio 1988/1987



Policy Characteristics – All Companies

Year to Date

	Premium per $1,000	Average size policy	Premium per policy
Total home service companies and depts.	$15.16	$13,673	$207
Total ordinary companies and depts.	$ 9.87	$85,370	$843
Total sales	$10.19	$64,888	$661

Policy Characteristics by Product

Year to Date

	Premium per $1,000	Average size policy	Premium per policy
Term (83 cos.)	$ 2.56	$146,779	$ 375
Universal life (109 cos.)	$10.82	$ 88,381	$ 956
Variable life (17 cos.)	$20.08	$ 64,771	$1,300
Variable universal life (27 cos.)	$13.33	$110,204	$1,469
Other permanent* (82 cos.)	$18.52	$ 33,803	$ 626

*Includes current-assumption whole life

Individual Sales (cont.)

Sales Comparisons with Last Year

Year to Date Ratio 1988/1987

	Annualized premium	Face amount	Number of policies
Term (83 cos.)	101%	102%	95%
Universal life (109 cos.)	91%	91%	89%
Variable life (17 cos.)	33%	42%	46%
Variable universal life (27 cos.)	95%	93%	81%
Other permanent* (82 cos.)	108%	110%	107%

*Includes current-assumption whole life

Single Premium vs. Periodic Premium

(in thousands)

	Single premium (full value)			Annualized premium (excluding single)		
	1987	1988	Ratio 88/87	1987	1988	Ratio 88/87
Month	$ 521,792	$ 285,690	55%	$ 466,116	$ 443,429	95%
Year to date	$4,095,226	$2,249,110	55%	$3,167,055	$3,203,199	101%

Universal Life

Interest Rates This Month

Median	8.6%
Range	6.6%–10.2%
Range of middle 50%	8.2%–9.0%
Number of cos. reporting rates	101
Number of plans reported	297

Contributors' Growth Rates

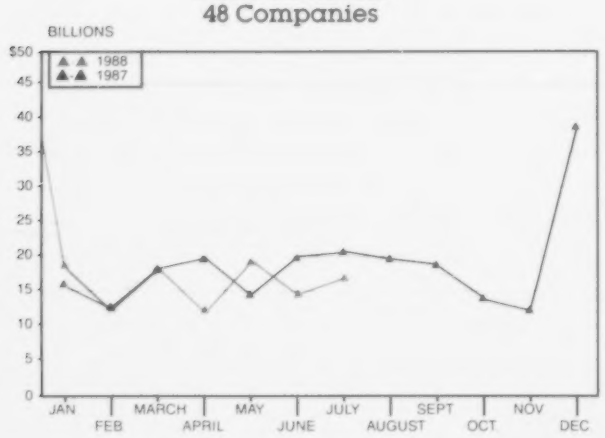
Change in Annualized Premium

Year to Date

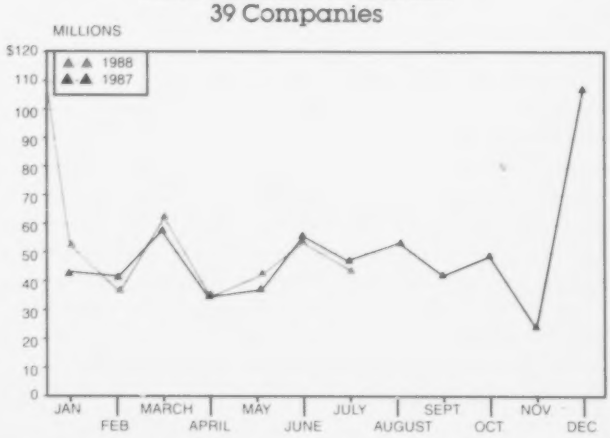
Percent change 1987-1988	Number of . . . Ordinary cos./depts.	Home Service cos./depts.
21% or over	15	1
11%–20%	14	3
1%–10%	9	6
–9%–0	36	4
–19%– –10%	19	2
–20% or under	22	3

Group Sales

Face Amount
48 Companies



Annualized Premium
39 Companies



July Sales*

		Annualized premium† (000)		Face amount (000)		Number of policies	
		1987	1988	1987	1988	1987	1988
Total ordinary	Month	$ 518,295	$ 471,998	$ 50,820,974	$ 45,816,571	755,010	681,067
	Year to date	$3,576,578	$3,428,110	$343,107,586	$336,364,506	5,347,981	5,183,741
Ordinary cos. and depts.	Month	$ 477,706	$ 432,426	$ 47,991,146	$ 43,143,185	556,756	493,995
	Year to date	$3,266,955	$3,121,176	$321,765,120	$316,115,958	3,838,201	3,702,876
Home service cos. and depts.	Month	$ 40,589	$ 39,572	$ 2,829,828	$ 2,673,386	198,254	187,072
	Year to date	$ 309,623	$ 306,934	$ 21,342,466	$ 20,248,548	1,509,780	1,480,865
Group	Month	$ 48,835	$ 44,462	$ 20,413,063	$ 16,721,304	—	—
	Year to date	$ 316,107	$ 328,910	$119.514,866	$109,316,552	—	—

†Includes 10 percent of single premiums

*Excludes $80.7 million of corporate-owned life insurance premiums reported in the first seven months of 1987 and $43.4 million reported in the first seven months of 1988.

About the Survey

This survey gives ordinary sales results of a group of companies that report three measures of sales performance – face amount (volume), annualized premiums, and number of policies. From these data, premium per $1,000, average size policy, and premium per policy, as well as trends in those statistics, are derived. Sales results by product are also shown for a subset of the contributing companies.

The definition of new sales excludes revivals, indexed increases, dividend additions, reinsurance acquired, credit insurance (coverage of obligations not exceeding 120 months' duration), and products without insurance (such as annuities). The data include mass-marketed ordinary business.

The ordinary results are based on the experience of 126 companies – and their 53 subsidiary companies – operating in the United States. These contributors represent 59 percent of the 1986 United States ordinary volume sold. Since no industry data are available on total annualized new ordinary premiums, the proportion of total premiums represented by these contributors cannot be determined. The business of these contributors may not represent the industry proportions of participating and nonparticipating policies and of term and permanent insurance sold; therefore, statistics (such as premium per $1,000) derived from the experience of the contributors may not represent the experience of the industry as a whole.

The survey also provides group sales volume and annualized premiums under new or amended contracts. These results are based on the experience of 48 companies plus 4 subsidiaries operating in the United States. These contributors represent 62 percent of the 1986 United States volume of new or amended group contracts.

Contact: Elaine F. Tumicki, CLU, project director
Paul J. Lanza
Susan M. Rosenberger
Andrea L. Sohacki
Anita Potter (Group)

– Market Research

Life Insurance Marketing and Research Association, Inc.
P.O. Box 208, Hartford, Connecticut 06141

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AG225-1
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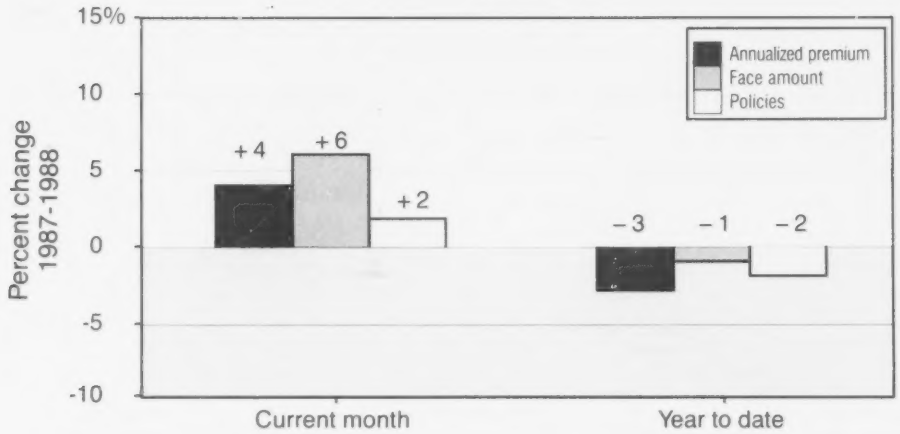

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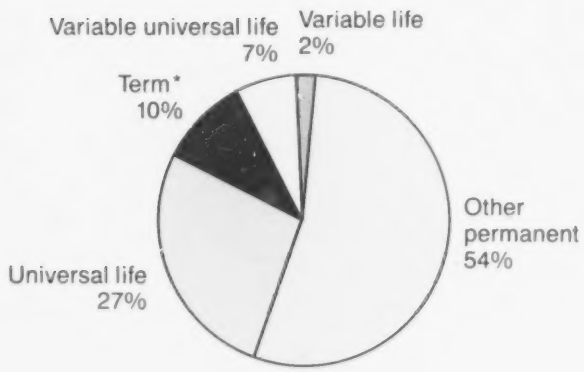
Annualized Premium Market Share by Product

Current month



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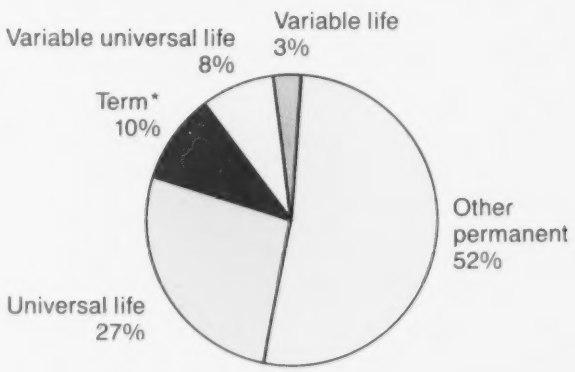

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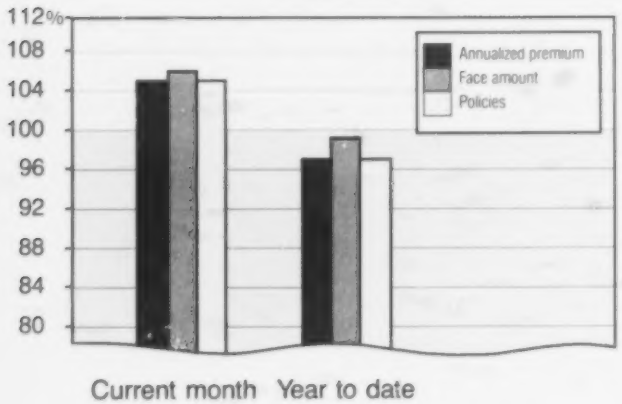
LIMRA INTERNATIONAL

Profit from our research.

Individual Sales (cont.)

115 Ordinary Companies and Departments

Ratio 1988/1987



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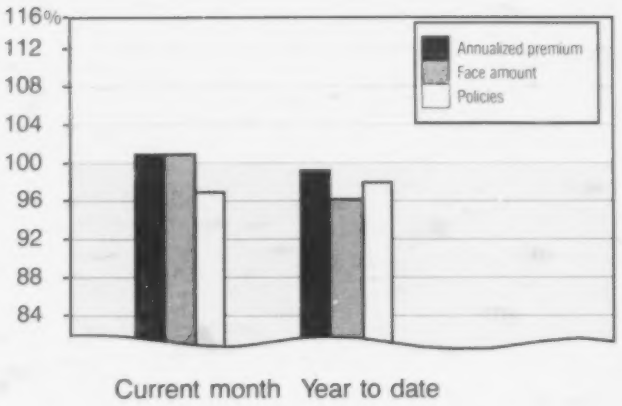
Ratio 1988/1987



Policy Characteristics – All Companies

Year to Date

	Premium per $1,000	Average size policy	Premium per policy
Total home service companies and depts.	$15.09	$13,753	$208
Total ordinary companies and depts.	$ 9.88	$85,643	$846
Total sales	$10.19	$65,203	$664

Policy Characteristics by Product

Year to Date

	Premium per $1,000	Average size policy	Premium per policy
Term (83 cos.)	$ 2.56	$147,304	$ 378
Universal life (109 cos.)	$10.85	$ 88,717	$ 963
Variable life (17 cos.)	$19.91	$ 65,232	$1,299
Variable universal life (27 cos.)	$13.36	$109,244	$1,460
Other permanent* (82 cos.)	$18.57	$ 33,932	$ 630

*Includes current-assumption whole life

Individual Sales (cont.)

Sales Comparisons with Last Year

Year to Date Ratio 1988/1987

	Annualized premium	Face amount	Number of policies
Term (83 cos.)	102%	102%	96%
Universal life (109 cos.)	93%	93%	91%
Variable life (17 cos.)	33%	41%	44%
Variable universal life (27 cos.)	93%	91%	79%
Other permanent* (82 cos.)	110%	110%	107%

*Includes current-assumption whole life

Single Premium vs. Periodic Premium

(in thousands)

	Single premium (full value)			Annualized premium (excluding single)		
	1987	1988	Ratio 88/87	1987	1988	Ratio 88/87
Month	$ 517,121	$ 274,861	53%	$ 441,879	$ 488,278	111%
Year to date	$4,613,123	$2,523,786	55%	$3,605,046	$3,688,230	102%

Universal Life

Interest Rates This Month

Median	8.6%
Range	7.0%–10.2%
Range of middle 50%	8.2%–9.0%
Number of cos. reporting rates	101
Number of plans reported	293

Contributors' Growth Rates

Change in Annualized Premium

Year to Date

Percent change 1987-1988	Number of . . . Ordinary cos./depts.	Home Service cos./depts.
21% or over	15	0
11%–20%	11	3
1%–10%	16	6
–9%–0	38	6
–19%– –10%	14	2
–20% or under	21	2

Group Sales

Face Amount
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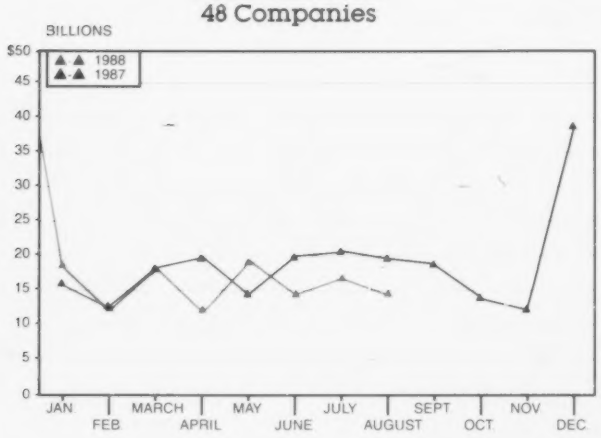

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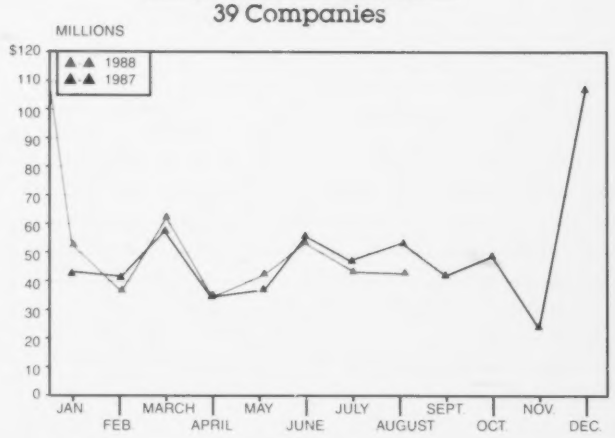

August Sales*

		Annualized premium† (000)		Face amount (000)		Number of policies	
		1987	1988	1987	1988	1987	1988
Total ordinary	Month	$ 493,591	$ 515,764	$ 47,624,731	$ 50,441,829	734,111	751,125
	Year to date	$4,066,358	$3,940,609	$390,642,620	$386,740,564	6,081,480	5,931,291
Ordinary cos. and depts.	Month	$ 450,834	$ 472,372	$ 44,698,475	$ 47,475,998	520,630	544,372
	Year to date	$3,713,978	$3,590,517	$366,385,898	$363,547,453	4,358,219	4,244,921
Home service cos. and depts.	Month	$ 42,757	$ 43,392	$ 2,926,256	$ 2,965,831	213,481	206,753
	Year to date	$ 352,380	$ 350,092	$ 24,256,722	$ 23,193,111	1,723,261	1,686,370
Group	Month	$ 52,682	$ 41,820	$ 19,277,111	$ 14,287,614	—	—
	Year to date	$ 368,789	$ 370,730	$138,791,977	$123,604,166	—	—

†Includes 10 percent of single premiums

*Excludes $106.1 million of corporate-owned life insurance premiums reported in the first eight months of 1987 and $62.0 million reported in the first eight months of 1988.

About the Survey

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